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## PART - IV Republication of Act, Bills, Ordinances etc. and Rules thereunder

### MINISTRY OF LAW AND JUSTICE (Legislative Department)

*New Delhi, the 6th January, 2015/Pausa 16, 1936 (Saka)*

### THE CITIZENSHIP (AMENDMENT) ORDINANCE, 2015 No. 1 OF 2015

Promulgated by the President in the Sixty-fifth Year of the Republic of India.

An Ordinance further to amend the Citizenship Act, 1955.

WHEREAS the Citizenship (Amendment) Bill, 2014 has been introduced in the House of the People and is pending in that House;

AND WHEREAS Parliament is not in session and the President is satisfied that circumstances exist which render it necessary for him to take immediate action;

NOW, THEREFORE, in exercise of the powers conferred by clause (1) of article 123 of the Constitution, the President is pleased to promulgate the following Ordinance:—

1. (1) This Ordinance may be called the Citizenship (Amendment) Ordinance, 2015.
- (2) It shall come into force at once.

Short title  
and  
commencement.

Amendment  
of section 5.

2. In the Citizenship Act, 1955 (hereinafter referred to as the principal Act), in section 5,-

57 of 1955.

- (i) in sub-section (1),-
  - (a) in clause (f), for the words "has been residing in India for one year", the words "is ordinarily resident in India for twelve months" shall be substituted;
  - (b) in clause (g), for the words "has been residing in India for one year", the words "is ordinarily resident in India for twelve months" shall be substituted;
  - (c) after sub-section (1), the following sub-section shall be inserted, namely:—

"(1A) The Central Government, if it is satisfied that special circumstances exist, may after recording the circumstances in writing, relax the period of twelve months, specified in clauses (f) and (g) and clause (i) of Explanation 1 of sub-section (1), upto a maximum of thirty days which may be in different breaks."

Substitution  
of sections  
7A, 7B, 7C  
and 7D.

Registration  
of Overseas  
Citizen of  
India  
cardholder.

3. In the principal Act, for sections 7A, 7B, 7C and section 7D, the following sections shall be substituted, namely:—

"7A. (1) The Central Government may, subject to such conditions and restrictions, as may be prescribed, on an application made in this behalf, register as Overseas Citizen of India cardholder—

- (a) any person of full age and capacity,—
  - (i) who is a citizen of another country, but was a citizen of India at the time of, or at any time after, the commencement of the Constitution; or
  - (ii) who is a citizen of another country, but was eligible to become a citizen of India at the time of the commencement of the Constitution; or
  - (iii) who is a citizen of another country, but belonged to a territory that became part of India after the 15<sup>th</sup> day of August, 1947; or

- (iv) who is a child or a grand-child or a great grandchild of such a citizen; or
- (b) a person, who is a minor child of a person mentioned in clause(a); or
- (c) a person, who is a minor child, and whose both parents are citizens of India or one of the parents is a citizen of India; or
- (d) spouse of foreign origin of a citizen of India or spouse of foreign origin of an Overseas Citizen of India cardholder registered under section 7A and whose marriage has been registered and subsisted for a continuous period of not less than two years immediately preceding the presentation of the application under this section:

Provided that for the eligibility for registration as Overseas Citizen of India cardholder, such spouse shall be subjected to prior security clearance from a competent authority in India:

Provided further that no person, who is or had been a citizen of Pakistan, Bangladesh or such other country as the Central Government may, by notification in the Official Gazette, specify, shall be eligible for registration as Overseas Citizen of India cardholder.

(2) The Central Government may, by notification in the Official Gazette, specify the date from which the existing Persons of Indian Origin cardholders shall be deemed to be Overseas Citizens of India cardholders.

*Explanation.*—For the purposes of sub-section, (2), Persons of Indian Origin cardholders mean the persons registered as such under notification number 26011/4/98 F.I. dated the 19<sup>th</sup> August, 2002, issued by the Central Government in this regard.

7B. (1) Notwithstanding anything contained in any other law for the time being in force, an Overseas Citizen of India cardholder shall be entitled to such rights, other than the rights specified under sub-section (2), as the Central Government may, by notification in the Official Gazette, specify in this behalf.

Conferment of rights on Overseas Citizen of India cardholder.

(2) An Overseas Citizen of India cardholder shall not be entitled to the rights conferred on a citizen of India—

(a) under article 16 of the Constitution with regard to equality of opportunity in matters of public employment;

(b) under article 58 of the Constitution for election as President;

(c) under article 66 of the Constitution for election as Vice-President;

(d) under article 124 of the Constitution for appointment as a Judge of the Supreme Court;

(e) under article 217 of the Constitution for appointment as a judge of the High Court;

(f) under section 16 of the Representation of the People Act, 1950 in regard to registration as a voter; 43 of 1950.

(g) under sections 3 and 4 of the Representation of the People Act, 1951 with regard to the eligibility for being a member of the House of People or of the Council of States, as the case may be; 43 of 1951.

(h) under sections 5, 5A and section 6 of the Representation of the People Act, 1951 with regard to eligibility for being a member of the Legislative Assembly or the Legislative Council, as the case may be, of a State; 43 of 1951.

(i) for appointment to public services and posts in connection with affairs of the Union or of any State except for appointment in such services and posts as the Central Government may by special order in that behalf specify.

(3) Every notification issued under sub-section (1) shall be laid before each House of Parliament.

Renunciation  
of Overseas  
Citizen of  
India card.

7C. (1) If any Overseas Citizen of India cardholder of full age and capacity makes in prescribed manner a declaration renouncing the card registering him as an Overseas Citizen of India cardholder, the declaration shall be registered by the Central Government, and upon such registration, that person shall cease to be an Overseas Citizen of India cardholder.

(2) Where a person ceases to be an Overseas Citizen of India cardholder under sub-section (1), the spouse of foreign origin of that person, who has obtained Overseas Citizen of India card under clause (d) of sub-section (1) of section 7A, and every minor child of that person registered as an Overseas Citizen of India cardholder shall thereupon cease to be an Overseas Citizen of India cardholder.

7D. The Central Government may, by order cancel the registration granted under sub-section (1) of section 7A, if it is satisfied that-

Cancellation of registration as Overseas Citizen of India card holder.

- (a) the registration as an Overseas Citizen of India cardholder was obtained by means of fraud, false representation or the concealment of any material fact; or
- (b) the Overseas Citizen of India cardholder has shown disaffection towards the Constitution of India, as by law established; or
- (c) the Overseas Citizen of India cardholder has, during any war in which India may be engaged, unlawfully traded or communicated with an enemy or been engaged in, or associated with, any business or commercial activity that was to his knowledge carried on in such manner as to assist an enemy in that war; or
- (d) the Overseas Citizen of India cardholder has, within five years after registration under sub-section (1) of section 7A, been sentenced to imprisonment for a term of not less than two years; or
- (e) it is necessary so to do in the interests of the sovereignty and integrity of India, the security of India, friendly relations of India with any foreign country, or in the interests of the general public; or
- (f) the marriage of an Overseas Citizen of India cardholder, who has obtained such card under clause (d) of sub-section (1) of section 7A,-
  - (i) has been dissolved by a competent court of law or otherwise; or

(ii) has not been dissolved but, during the subsistence of such marriage, he has solemnized marriage with any other person.”.

4. In the principal Act, in section 18, in sub-section (2), after clause (ee), following clauses shall be inserted, namely:- Amendment of section 18.

“(eea) conditions and restrictions subject to which a person may be registered as Overseas Citizen of India cardholder under sub-section (1) of section 7A;

(eeb) manner of making declarations for renunciation of Overseas Citizen of India card under sub-section (1) of section 7C;”.

Amendment  
of Third  
Schedule.

5. In the Third Schedule to the principal Act, in clause (c), the following proviso shall be inserted, namely:-

“Provided that if the Central Government is satisfied that special circumstances exist, it may, after recording the circumstances in writing, relax the period of twelve months upto a maximum of thirty days which may be in different breaks.”.

PRANAB MUKHERJEE,  
*President.*

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DR. SANJAY SINGH,  
*Secy. to the Government of India.*

**CORRIGENDA****THE COAL MINES (SPECIAL PROVISIONS) SECOND ORDINANCE, 2014**

No. 7 OF 2014

In the Coal Mines (Special Provisions) Second Ordinance, 2014 (No. 7 of 2014) published in the Gazette of India, Extraordinary, Part II, Section I, dated 26th December, 2014, issue No. 44,—

Page No.	Column	Line(s) No	<i>For</i>	<i>Read</i>
30	4	41	"Maharastra"	"Maharashtra"
31	3	10	"Maharastra"	"Maharashtra"
31	3	36	"Maharastra"	"Maharashtra"
36	4	9	"Maharastra"	"Maharashtra"
36	4	11	"Maharastra"	"Maharashtra"
36	4	13	"Maharastra"	"Maharashtra"
36	4	15	"Maharastra"	"Maharashtra"
36	4	17	"Maharastra"	"Maharashtra"
36	4	19	"Maharastra"	"Maharashtra"
36	4	21	"Maharastra"	"Maharashtra"
36	4	23	"Maharastra"	"Maharashtra"
36	4	25	"Maharastra"	"Maharashtra"
38	4	21	"Maharastra"	"Maharashtra"
38	4	23	"Maharastra"	"Maharashtra"
38	4	26	"Maharastra"	"Maharashtra"

## THE WHISTLE BLOWERS PROTECTION ACT, 2011

AN ACT to establish a mechanism to receive complaints relating to disclosure on any allegation of corruption or wilful misuse of power or wilful misuse of discretion against any public servant and to inquire or cause an inquiry into such disclosure and to provide adequate safeguards against victimisation of the person making such complaint and for matters connected therewith and incidental thereto.

BE it enacted by Parliament in the Sixty-second Year of the Republic of India as follows:—

### CHAPTER I

#### PRELIMINARY

1. (1) This Act may be called the Whistle Blowers Protection Act, 2011.

(2) It extends to the whole of India except the State of Jammu and Kashmir.

(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint; and different dates may be appointed for different provisions of this Act and any reference in any provision to the commencement of this Act shall be construed as a reference to the coming into force of that provision.

2. The provisions of this Act shall not apply to the armed forces of the Union, being the Special Protection Group constituted under the Special Protection Group Act, 1988.

Short title,  
extent and  
commence-  
ment.

Provisions of  
this Act not to  
apply to Special  
Protection  
Group.



Definitions.

**3. In this Act, unless the context otherwise requires,—**

(a) "Central Vigilance Commission" means the Commission constituted under sub-section (1) of section 3 of the Central Vigilance Commission Act, 2003;

45 of 2003.

(b) "Competent Authority" means—

(i) in relation to a Member of the Union Council of Ministers, the Prime Minister;

(ii) in relation to a Member of Parliament, other than a Minister, the Chairman of the Council of States if such Member is a Member of the Council of States or the Speaker of the House of the People if such Member is a Member of the House of the People, as the case may be;

(iii) in relation to a Member of the Council of Ministers in a State or Union territory, the Chief Minister of the State or Union territory, as the case may be;

(iv) in relation to a Member of Legislative Council or Legislative Assembly of a State or Union territory, other than a Minister, the Chairman of the Legislative Council if such Member is a Member of the Council or the Speaker of the Legislative Assembly if such Member is a Member of the Assembly, as the case may be;

(v) in relation to—

(A) any Judge (except a Judge of the Supreme Court or of a High Court) including any person empowered by law to discharge, whether by himself or as a member of any body of persons, any adjudicatory functions; or

(B) any person authorised by a court of justice to perform any duty, in connection with the administration of justice, including a liquidator, receiver or commissioner appointed by such court; or

(C) any arbitrator or other person to whom any cause or matter has been referred for decision or report by a court of justice or by a competent public authority,

the High Court;

(vi) in relation to—

(A) any person in the service or pay of the Central Government or remunerated by the Central Government by way of fees or commission for the performance of any public duty except Ministers, Members of Parliament and members or persons referred to in clause (a) or clause (b) or clause (c) or clause (d) of article 33 of the Constitution, or in the service or pay of a society or local authority or any corporation established by or under any Central Act, or an authority or a body owned or controlled or aided by the Central Government or a Government company as defined in section 617 of the Companies Act, 1956, owned or controlled by the Central Government; or

1 of 1956.

(B) any person who holds an office by virtue of which he is empowered to prepare, publish, maintain or revise an electoral roll or to conduct an election or part of an election in relation to elections to Parliament or a State Legislature; or

(C) any person who holds an office by virtue of which he is authorised or required to perform any public duty (except Ministers and Members of Parliament); or

1 of 1956.

(D) any person who is the president, secretary or other office-bearer of a registered co-operative society engaged in agriculture, industry, trade or banking, receiving or having received any financial aid from the Central Government or from any corporation established by or under a Central Act, or any authority or body or a Government company as defined in section 617 of the Companies Act, 1956 owned or controlled or aided by the Central Government; or

(E) any person who is a chairman, member or employee of any Central Service Commission or Board, by whatever name called, or a member of any selection committee appointed by such Commission or Board for the conduct of any examination or making any selection on behalf of such Commission or Board; or

(F) any person who is a Vice-Chancellor or member of any governing body, professor, associate professor, assistant professor, reader, lecturer or any other teacher or employee, by whatever designation called, of any University established by a Central Act or established or controlled or funded by the Central Government or any person whose services have been availed of by such University or any such other public authority in connection with holding or conducting examinations; or

(G) any person who is an office-bearer or an employee of an educational, scientific, social, cultural or other institution, in whatever manner established, receiving or having received any financial assistance from the Central Government or any local or other public authority,

the Central Vigilance Commission or any other authority, as the Central Government may, by notification in the Official Gazette, specify in this behalf under this Act;

(vii) in relation to—

1 of 1956.

(A) any person in the service or pay of the State Government or remunerated by the State Government by way of fees or commission, for the performance of any public duty except Ministers, Members of Legislative Council or Legislative Assembly of the State, or in the service or pay of a society or local authority or any corporation established by or under a Provincial or State Act, or an authority or a body owned or controlled or aided by the State Government or a Government company as defined in section 617 of the Companies Act, 1956, owned or controlled by the State Government; or

(B) any person who holds an office by virtue of which he is empowered to prepare, publish, maintain or revise an electoral roll or to conduct an election or part of an election in relation to municipality or Panchayats or other local body in the State; or

(C) any person who holds an office by virtue of which he is authorised or required to perform any public duty in relation to the affairs of the State Government (except Ministers and Members of Legislative Council or Legislative Assembly of the State); or

1 of 1956.

(D) any person who is the president, secretary or other office-bearer of a registered co-operative society engaged in agriculture, industry, trade or banking, receiving or having received any financial aid from the State Government or from any corporation established by or under a Provincial or State Act, or any authority or body or a Government company as defined in section 617 of the Companies Act, 1956 owned or controlled or aided by the State Government; or

(E) any person who is a chairman, member or employee of any State Service Commission or Board, by whatever name called, or a member of any selection committee appointed by such Commission or Board for the conduct of any examination or making any selection on behalf of such Commission or Board; or

(F) any person who is a Vice-Chancellor or member of any governing body, professor, associate professor, assistant professor, reader, lecturer or any other teacher or employee, by whatever designation called, of any University established by a Provincial or State Act or established or controlled or funded by the State Government and any person whose services have been availed of by such University or any such other public authority in connection with holding or conducting examinations; or

(G) any person who is an office-bearer or an employee of an educational, scientific, social, cultural or other institution, in whatever manner established, receiving or having received any financial assistance from the State Government or any local or other public authority,

the State Vigilance Commission, if any, or any officer of the State Government or any other authority, as the State Government may, by notification in the Official Gazette, specify in this behalf under this Act;

(viii) in relation to members or persons referred to in clause (a) or clause (b) or clause (c) or clause (d) of article 33 of the Constitution, any authority or authorities as the Central Government or the State Government, as the case may be, having jurisdiction in respect thereof, may, by notification in the Official Gazette, specify in this behalf under this Act;

(c) "complainant" means any person who makes a complaint relating to disclosure under this Act;

(d) "disclosure" means a complaint relating to,—

(i) an attempt to commit or commission of an offence under the Prevention of Corruption Act, 1988;

49 of 1988.

(ii) wilful misuse of power or wilful misuse of discretion by virtue of which demonstrable loss is caused to the Government or demonstrable wrongful gain accrues to the public servant or to any third party;

(iii) attempt to commit or commission of a criminal offence by a public servant,

made in writing or by electronic mail or electronic mail message, against the public servant and includes public interest disclosure referred to in sub-section (2) of section 4;

(e) "electronic mail" or "electronic mail message" means a message or information created or transmitted or received on any computer, computer system, computer resource or communication device including attachments in text, image, audio, video and any other electronic record, which may be transmitted with the message;

(f) "Government company" means a company referred to in section 617 of the Companies Act, 1956;

1 of 1956.

(g) "notification" means a notification published in the Gazette of India or, as the case may be, the Official Gazette of a State;

(h) "public authority" means any authority, body or institution falling within the jurisdiction of the Competent Authority;

49 of 1988. (i) "public servant" shall have the same meaning as assigned to it in clause (c) of section 2 of the Prevention of Corruption Act, 1988 but shall not include a Judge of the Supreme Court or a Judge of a High Court;

(j) "prescribed" means prescribed by rules made by the Central Government and the State Government, as the case may be, under this Act;

(k) "regulations" means the regulations made by the Competent Authority under this Act.

## CHAPTER II

### PUBLIC INTEREST DISCLOSURE

19 of 1923. 4. (1) Notwithstanding anything contained in the provisions of the Official Secrets Act, 1923, any public servant or any other person including any non-governmental organisation, may make a public interest disclosure before the Competent Authority.

Requirement of public interest disclosure.

(2) Any disclosure made under this Act shall be treated as public interest disclosure for the purposes of this Act and shall be made before the Competent Authority and the complaint making the disclosure shall, on behalf of the Competent Authority, be received by such authority as may be specified by regulations made by the Competent Authority.

(3) Every disclosure shall be made in good faith and the person making disclosure shall make a personal declaration stating that he reasonably believes that the information disclosed by him and allegation contained therein is substantially true.

(4) Every disclosure shall be made in writing or by electronic mail or electronic mail message in accordance with the procedure as may be prescribed and contain full particulars and be accompanied by supporting documents, or other materials, if any.

(5) The Competent Authority may, if it deems fit, call for further information or particulars from the person making the disclosure.

(6) No action shall be taken on public interest disclosure by the Competent Authority if the disclosure does not indicate the identity of the complainant or public servant making public interest disclosure or the identity of the complainant or public servant is found incorrect or false.

## CHAPTER III

### INQUIRY IN RELATION TO PUBLIC INTEREST DISCLOSURE

5. (1) Subject to the provisions of this Act, the Competent Authority shall, on receipt of a public interest disclosure under section 4,—

(a) ascertain from the complainant or the public servant whether he was the person or the public servant who made the disclosure or not;

(b) conceal the identity of the complainant unless the complainant himself has revealed his identity to any other office or authority while making public interest disclosure or in his complaint or otherwise.

Powers and functions of Competent Authority on receipt of public interest disclosure.

(2) The Competent Authority shall, upon receipt of the complaint and concealing the identity of the complainant, or the public servant in the first instance, make discreet inquiry, in such manner and within such time as may be prescribed, to ascertain whether there is any basis for proceeding further to investigate the disclosure.

(3) If the Competent Authority, either as a result of the discreet inquiry, or on the basis of the disclosure itself without any inquiry, is of the opinion that the disclosure requires to be investigated, it shall seek comments or explanation or report from the Head of the Department of the organisation or authority, board or corporation concerned or office concerned within such time as may be specified by it.

(4) While seeking comments or explanations or report referred to in sub-section (3), the Competent Authority shall not reveal the identity of the complainant or the public servant and direct the Head of the Department of the organisation concerned or office concerned not to reveal the identity of the complainant or public servant:

Provided that if the Competent Authority is of the opinion that it has, for the purpose of seeking comments or explanation or report from them under sub-section (3) on the public disclosure, become necessary to reveal the identity of the complainant or public servant to the Head of the Department of the organisation or authority, board or corporation concerned or office concerned, the Competent Authority may, with the prior written consent of the complainant or public servant, reveal the identity of the complainant or public servant to such Head of the Department of the organisation or authority, board or corporation concerned or office concerned for the said purpose:

Provided further that in case the complainant or public servant does not agree to his name being revealed to the Head of the Department, in that case, the complainant or public servant, as the case may be, shall provide all documentary evidence in support of his complaint to the Competent Authority.

(5) The Head of the organisation or office concerned shall not directly or indirectly reveal the identity of the complainant or public servant who made the disclosure.

(6) The Competent Authority, if after conducting an inquiry, is of the opinion that—

(a) the facts and allegations contained in the disclosure are frivolous or vexatious;

or

(b) there are no sufficient grounds for proceeding with the inquiry,

it shall close the matter.

(7) After receipt of the comments or explanations or report referred to in sub-section (3), if the Competent Authority is of the opinion that such comments or explanations or report reveals either wilful misuse of power or wilful misuse of discretion or substantiates allegations of corruption, it shall recommend to the public authority to take any one or more of the following measures, namely:—

(i) initiating proceedings against the concerned public servant;

(ii) taking appropriate administrative steps for redressing the loss caused to the Government as a result of the corrupt practice or misuse of office or misuse of discretion, as the case may be;

(iii) recommend to the appropriate authority or agency for initiation of criminal proceedings under the relevant laws for the time being in force, if so warranted by the facts and circumstances of the case;

(iv) recommend for taking of corrective measures;

(v) take any other measures not falling under clauses (i) to (iv) which may be necessary for the purpose of this Act.

(8) The public authority to whom a recommendation is made under sub-section (7) shall take a decision on such recommendation within three months of receipt of such recommendation, or within such extended period not exceeding three months, as the Competent Authority may allow on a request made by the public authority:

Provided that in case the public authority does not agree with the recommendation of the Competent Authority, it shall record the reasons for such disagreement.

(9) The Competent Authority shall, after making an inquiry, inform the complainant or public servant about the action taken on the complaint and the final outcome thereof:

Provided that in a case where, after making an inquiry, the Competent Authority decides to close the case, it shall, before passing the order for closure of the case, provide an opportunity of being heard to the complainant, if the complainant so desires.

6. (1) If any matter specified or an issue raised in a disclosure has been determined by a Court or Tribunal authorised to determine the issue, after consideration of the matters specified or issue raised in the disclosure, the Competent Authority shall not take notice of the disclosure to the extent that the disclosure seeks to reopen such issue.

Matters not to be inquired by Competent Authority.

(2) The Competent Authority shall not entertain or inquire into any disclosure—

37 of 1850. (a) in respect of which a formal and public inquiry has been ordered under the Public Servants (Inquiries) Act, 1850; or

60 of 1952. (b) in respect of a matter which has been referred for inquiry under the Commissions of Inquiry Act, 1952.

(3) The Competent Authority shall not investigate, any disclosure involving an allegation, if the complaint is made after the expiry of seven years from the date on which the action complained against is alleged to have taken place.

(4) Nothing in this Act shall be construed as empowering the Competent Authority to question, in any inquiry under this Act, any *bona fide* action or *bona fide* discretion (including administrative or statutory discretion) exercised in discharge of duty by the employee.

#### CHAPTER IV

##### POWERS OF COMPETENT AUTHORITY

7. (1) Without prejudice to the powers conferred upon the Competent Authority under any other law for the time being in force, the Competent Authority, may require, for the purpose of any inquiry any public servant or any other person who in its opinion shall be able to furnish information or produce documents relevant to the inquiry or assist in the inquiry, to furnish any such information or produce any such document as may be necessary for the said purpose.

Powers of Competent Authority.

5 of 1908. (2) For the purpose of any such inquiry (including the preliminary inquiry), the Competent Authority shall have all the powers of a Civil Court while trying a suit under the Code of Civil Procedure, 1908, in respect of the following matters, namely:—

(a) summoning and enforcing the attendance of any person and examining him on oath;

(b) requiring the discovery and production of any document;

(c) receiving evidence on affidavits;

(d) requisitioning any public record or copy thereof from any court or office;

(e) issuing commissions for the examination of witnesses or documents;

(f) such other matters as may be prescribed.

2 of 1974. (3) The Competent Authority shall be deemed to be a Civil Court for the purpose of section 195 and Chapter XXVI of the Code of Criminal Procedure, 1973, and every proceeding before the Competent Authority shall be deemed to be a judicial proceeding within the meaning of sections 193 and 228 and for the purposes of section 196 of the Indian Penal Code.

45 of 1860.

19 of 1923. (4) Subject to the provisions of section 8, no obligation to maintain secrecy or other restriction upon the disclosure of information obtained by or furnished to the Government or any public servant, whether imposed by the Official Secrets Act, 1923 or any other law for the time being in force, shall be claimed by any public servant in the proceedings before the Competent Authority or any person or agency authorised by it in writing and the Government



or any public servant shall not be entitled in relation to any such inquiry, to any such privilege in respect of the production of documents or the giving of evidence as is allowed by any enactment or by any rules made thereunder:

Provided that the Competent Authority, while exercising such powers of the Civil Court, shall take steps as necessary to ensure that the identity of the person making complaint has not been revealed or compromised.

Certain  
matters  
exempt from  
disclosure.

**8. (1)** No person shall be required or be authorised by virtue of provisions contained in this Act to furnish any such information or answer any such question or produce any document or information or render any other assistance in the inquiry under this Act if such question or document or information is likely to prejudicially affect the interest of the sovereignty and integrity of India, the security of the State, friendly relations with foreign State, public order, decency or morality or in relation to contempt of court, defamation or incitement to an offence,—

(a) as might involve the disclosure of proceedings of the Cabinet of the Union Government or any Committee of the Cabinet;

(b) as might involve the disclosure of proceedings of the Cabinet of the State Government or any Committee of that Cabinet,

and for the purpose of this sub-section, a certificate issued by the Secretary to the Government of India or the Secretary to the State Government, as the case may be, or, any authority so authorised by the Central or State Government certifying that any information, answer or portion of a document is of the nature specified in clause (a) or clause (b), shall be binding and conclusive.

(2) Subject to the provisions of sub-section (1), no person shall be compelled for the purposes of inquiry under this Act to give any evidence or produce any document which he could not be compelled to give or produce in proceedings before a court.

Superinten-  
dence of  
Competent  
Authority  
over  
appropriate  
machinery.

**9. (1)** Every public authority shall, for the purposes of dealing or inquiry into the disclosures sent to it under sub-section (3) of section 5, create an appropriate machinery for the said purpose.

(2) The Competent Authority shall exercise superintendence over the working of machinery created under sub-section (1) for the purposes of dealing or inquiry into the disclosures and give such directions for its proper functioning, from time to time, as it may consider necessary.

Competent  
Authority to  
take  
assistance of  
police  
authorities,  
etc., in certain  
cases.

**10.** For the purpose of making discreet inquiry or obtaining information from the organisation concerned, the Competent Authority shall be authorised to take assistance of the Delhi Special Police Establishment or the police authorities, or any other authority as may be considered necessary, to render all assistance to complete the inquiry within the prescribed time pursuant to the disclosure received by the Competent Authority.

## CHAPTER V

### PROTECTION TO THE PERSONS MAKING DISCLOSURE

Safeguards  
against  
victimisation.

**11. (1)** The Central Government shall ensure that no person or a public servant who has made a disclosure under this Act is victimised by initiation of any proceedings or otherwise merely on the ground that such person or a public servant had made a disclosure or rendered assistance in inquiry under this Act.

(2) If any person is being victimised or likely to be victimised on the ground that he had filed a complaint or made disclosure or rendered assistance in inquiry under this Act, he may file an application before the Competent Authority seeking redress in the matter, and such authority shall take such action, as deemed fit and may give suitable directions to the concerned public servant or the public authority, as the case may be, to protect such person from being victimised or avoid his victimisation:

Provided that the Competent Authority shall, before giving any such direction to the public authority or public servant, give an opportunity of hearing to the complainant and the public authority or public servant, as the case may be:

Provided further that in any such hearing, the burden of proof that the alleged action on the part of the public authority is not victimisation, shall lie on the public authority

(3) Every direction given under sub-section (2) by the Competent Authority shall be binding upon the public servant or the public authority against whom the allegation of victimisation has been proved.

(4) Notwithstanding anything contained in any other law for the time being in force, the power to give directions under sub-section (2), in relation to a public servant, shall include the power to direct the restoration of the public servant making the disclosure, to the status *quo ante*.

(5) Any person who wilfully does not comply with the direction of the Competent Authority under sub-section (2), shall be liable to a penalty which may extend up to thirty thousand rupees.

**12.** If the Competent Authority either on the application of the complainant, or witnesses, or on the basis of information gathered, is of the opinion that either the complainant or public servant or the witnesses or any person rendering assistance for inquiry under this Act need protection, the Competent Authority shall issue appropriate directions to the concerned Government authorities (including police) which shall take necessary steps, through its agencies, to protect such complainant or public servant or persons concerned.

Protection of witnesses and other persons.

**13.** The Competent Authority shall, notwithstanding any law for the time being in force, conceal, as required under this Act, the identity of the complainant and the documents or information furnished by him, for the purposes of enquiry under this Act, unless so decided otherwise by the Competent Authority itself or it became necessary to reveal or produce the same by virtue of the order of the court.

Protection of identity of complainant.

**14.** The Competent Authority, at any time after the making of disclosure by the complainant or public servant, if it is of the opinion that any corrupt practice required to be stopped during the continuation of any inquiry for the said purpose may pass such interim orders as it may deem fit, to prevent the immediate stoppage of such practice.

Power to pass interim orders.

## CHAPTER VI

### OFFENCES AND PENALTIES

**15.** Where the Competent Authority, at the time of examining the report or explanations or report referred to in sub-section (3) of section 5 on the complaint submitted by organisation or official concerned, is of the opinion that the organisation or official concerned, without any reasonable cause, has not furnished the report within the specified time or *mala fide*ly refused to submit the report or knowingly given incomplete, incorrect or misleading or false report or destroyed record or information which was the subject of the disclosure or obstructed in any manner in furnishing the report, it shall impose—

Penalty for furnishing incomplete or incorrect or misleading comments or explanation or report.

(a) where the organisation or official concerned, without any reasonable cause, has not furnished the report within the specified time or *mala fide*ly refused to submit the report, a penalty which may extend to two hundred fifty rupees for each day till report is furnished, so, however, the total amount of such penalty shall not exceed fifty thousand rupees;

(b) where the organisation or official concerned, has knowingly given incomplete, incorrect or misleading or false report or destroyed record or information which was the subject of the disclosure or obstructed in any manner the furnishing of the report, a penalty which may extend to fifty thousand rupees:

Provided that no penalty shall be imposed against any person unless he has been given an opportunity of being heard.

**16.** Any person, who negligently or *mala fide*ly reveals the identity of a complainant shall, without prejudice to the other provisions of this Act, be punishable with imprisonment for a term which may extend up to three years and also to fine which may extend up to fifty thousand rupees.

Penalty for revealing identity of complainant.



Punishment  
for false or  
frivolous  
disclosure.

**17.** Any person who makes any disclosure *mala fide* and knowingly that it was incorrect or false or misleading shall be punishable with imprisonment for a term which may extend up to two years and also to fine which may extend up to thirty thousand rupees.

Punishment  
to Head of  
Department  
in certain  
cases.

**18. (1)** Where an offence under this Act has been committed by any Department of Government, the Head of the Department shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly unless he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a Department of Government and it is proved that the offence has been committed with the consent or connivance of, or is attributable, such officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Offences by  
companies.

**19. (1)** Where an offence under this Act has been committed by a company, every person who at the time the offence was committed was in charge of, and was responsible to the company for the conduct of the business of the company as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment provided in this Act, if he proves that the offence was committed without his knowledge or that he has exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to, any neglect on the part of any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

*Explanation.*—For the purposes of this section,—

(a) "company" means any body corporate and includes a firm or other association of individuals; and

(b) "director", in relation to a firm, means a partner in the firm.

Appeal to  
High Court.

**20.** Any person aggrieved by any order of the Competent Authority relating to imposition of penalty under section 14 or section 15 or section 16 may prefer an appeal to the High Court within a period of sixty days from the date of the order appealed against:

Provided that the High Court may entertain the appeal after the expiry of the said period of sixty days, if it is satisfied that the appellant was prevented by sufficient cause from preferring the appeal in time.

*Explanation.*—For the purposes of this section, the "High Court" means the High Court within whose jurisdiction the cause of action arose.

Bar of  
jurisdiction.

**21.** No Civil Court shall have jurisdiction in respect of any matter which the Competent Authority is empowered by or under this Act to determine and no injunction shall be granted by any court or other authority in respect of any action taken or to be taken in pursuance of any power conferred by or under this Act.

Court to take  
cognizance.

**22. (1)** No court shall take cognizance of any offence punishable under this Act or the rules or regulations made thereunder, save on a complaint made by the Competent Authority or any officer or person authorised by it.

(2) No court inferior to that of a Chief Metropolitan Magistrate or a Chief Judicial Magistrate shall try any offence punishable under this Act.

## CHAPTER VII

### MISCELLANEOUS

**23.** (1) The Competent Authority shall prepare a consolidated annual report of the performance of its activities in such form as may be prescribed and forward it to the Central Government or State Government, as the case may be.

Report on disclosures.

(2) On receipt of the annual report under sub-section (1), the Central Government or State Government, as the case may be, shall cause a copy thereof to be laid before each House of Parliament, or the State Legislature, as the case may be:

Provided that where any other law for the time being in force provides preparing of such annual report by the Competent Authority, then the said annual report shall contain a separate part on the performance of activities under this Act by the Competent Authority.

**24.** No suit, prosecution or other legal proceedings shall lie against the Competent Authority or against any officer, employees, agency or person acting on its behalf, in respect of anything which is in good faith done or intended to be done under this Act.

Protection of action taken in good faith.

**25.** (1) The Central Government may, by notification in the official Gazette, make rules for the purpose of carrying out the provisions of this Act.

Power of Central Government to make rules.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the procedure for disclosure by writing or appropriate electronic means under sub-section (4) of section 4;

(b) the manner in which and the time within which the discreet inquiry shall be made by the Competent Authority under sub-section (2) of section 5;

(c) the additional matter in respect of which the Competent Authority may exercise the powers of a Civil Court under clause (f) of sub-section (2) of section 7;

(d) the form of annual report under sub-section (1) of section 23;

(e) any other matter which is required to be, or may be, prescribed.

**26.** The State Government may, by notification in the Official Gazette, make rules for the purpose of carrying out the provisions of this Act.

Power of State Government to make rules.  
Power to make regulations.

**27.** The Competent Authority may, with the previous approval of the Central Government or the State Government, as the case may be, by notification in the Official Gazette, make regulations not inconsistent with the provisions of the Act and the rules made thereunder to provide for all matters for which provision is expedient for the purposes of giving effect to the provisions of this Act.

**28.** Every notification issued and every rule made by the Central Government and every regulation made by the Competent Authority under this Act shall be laid, as soon as may be after it is issued or made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the notification or the rule or the regulation, or both Houses agree that the notification or the rule or the regulation should not be made, the notification or the rule or the regulation shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that notification or rule or regulation.

Notification and rules to be laid before Parliament.

Notification issued and rules made by State Government to be laid before State Legislature.

**29.** Every notification issued by a State Government and every rule made by a State Government and every regulation made by the Competent Authority under this Act shall be laid, as soon as may be after it is issued, before the State Legislature.

Power to remove difficulties.

**30.** (1) If any difficulty arises in giving effect to the provisions of the Act, the Central Government may, by order, not inconsistent with the provisions of this Act, remove the difficulty:

Provided that no such order shall be made after the expiry of a period of three years from the date of the commencement of this Act.

(2) Every order made under this section shall, as soon as may be after it is made, be laid before each House of Parliament.

Repeal and savings.

**31.** (1) The Government of India, Ministry of Personnel, Public Grievances and Pensions (Department of Personnel and Training) Resolution No. 371/12/2002-AVD-III dated the 21st April, 2004 as amended *vide* Resolution of even number, dated the 29th April, 2004 is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the said Resolution be deemed to have been done or taken under this Act.

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DR. SANJAY SINGH,  
*Additional Secretary to the Govt. of India.*

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## THE SECURITIES LAWS (AMENDMENT) ACT, 2014

An Act further to amend the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956 and the Depositories Act, 1996.

BE it enacted by Parliament in the Sixty-fifth Year of the Republic of India as follows:—

### CHAPTER I

#### PRELIMINARY

1. (1) This Act may be called the Securities Laws (Amendment) Act, 2014.

Short title  
and com-  
mencement.

(2) Save as otherwise provided, the provisions of this Act, except clause (ii) of section 5, section 6 to section 16, section 25 to section 33, section 36 and section 41 to section 48, shall be deemed to have come into force on the 18th day of July, 2013.

(3) The provisions of clause (ii) of section 5, section 16, section 33, section 36 and section 48 of this Act shall be deemed to have come into force on the 28th day of March, 2014.

(4) The provisions of section 6 to section 15, section 25 to section 32 and section 41 to section 47 of this Act shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

## CHAPTER II

## AMENDMENTS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992

Amendment of section 11. 2. In section 11 of the Securities and Exchange Board of India Act, 1992 (hereafter in this Chapter referred to as the principal Act),— 15 of 1992.

(i) in sub-section (2),—

(a) for clause (ia), the following clause shall be substituted, namely:—

“(ia) calling for information and records from any person including any bank or any other authority or board or corporation established or constituted by or under any Central or State Act which, in the opinion of the Board, shall be relevant to any investigation or inquiry by the Board in respect of any transaction in securities;”;

(b) after clause (ia), the following clause shall be inserted and shall be deemed to have been inserted with effect from the 6th day of March, 1998, namely:—

“(ib) calling for information from, or furnishing information to, other authorities, whether in India or outside India, having functions similar to those of the Board, in the matters relating to the prevention or detection of violations in respect of securities laws, subject to the provisions of other laws for the time being in force in this regard:

Provided that the Board, for the purpose of furnishing any information to any authority outside India, may enter into an arrangement or agreement or understanding with such authority with the prior approval of the Central Government;”;

(ii) after sub-section (4), the following sub-section shall be inserted, namely:—

“(5) The amount disgorged, pursuant to a direction issued, under section 11B of this Act or section 12A of the Securities Contracts (Regulation) Act, 1956 or section 19 of the Depositories Act, 1996, as the case may be, shall be credited to the Investor Protection and Education Fund established by the Board and such amount shall be utilised by the Board in accordance with the regulations made under this Act.”.

42 of 1956.  
22 of 1996.

Amendment of section 11AA.

3. In section 11AA of the principal Act,—

(i) in sub-section (1),—

(a) after the word, brackets and figure “sub-section (2)” , the words, brackets, figure and letter “or sub-section (2A)” shall be inserted;

(b) the following proviso shall be inserted, namely:—

“Provided that any pooling of funds under any scheme or arrangement, which is not registered with the Board or is not covered under sub-section (3), involving a corpus amount of one hundred crore rupees or more shall be deemed to be a collective investment scheme.”;

(ii) in sub-section (2), in the opening portion, for the word “company”, the word “person” shall be substituted;

(iii) after sub-section (2), the following sub-section shall be inserted, namely:—

“(2A) Any scheme or arrangement made or offered by any person satisfying the conditions as may be specified in accordance with the regulations made under this Act.”;

(iv) in sub-section (3),—

(a) after the word, brackets and figure “sub-section (2)” , the words, brackets,  
2A

figure and letter “or sub-section ( )” shall be inserted;

(b) after clause (viii), the following clause shall be inserted, namely:—

“(ix) such other scheme or arrangement which the Central Government may, in consultation with the Board, notify,”.

4. In section 11B of the principal Act, the following *Explanation* shall be inserted, namely:—

Amendment  
of section  
11B.

“*Explanation.*—For the removal of doubts, it is hereby declared that the power to issue directions under this section shall include and always be deemed to have been included the power to direct any person, who made profit or averted loss by indulging in any transaction or activity in contravention of the provisions of this Act or regulations made thereunder, to disgorge an amount equivalent to the wrongful gain made or loss averted by such contravention.”.

5. In section 11C of the principal Act,—

Amendment  
of section  
11C.

(i) in sub-section (8), for the words “the Judicial Magistrate of the first class having jurisdiction”, the words “the Magistrate or Judge of such designated court in Mumbai, as may be notified by the Central Government” shall be substituted;

(ii) after sub-section (8), the following sub-section shall be inserted, namely:—

“(8A) The authorised officer may requisition the services of any police officer or any officer of the Central Government, or of both, to assist him for all or any of the purposes specified in sub-section (8) and it shall be the duty of every such officer to comply with such requisition.”;

(iii) in sub-section (9), for the words “the Magistrate” occurring at both the places, the words “the Magistrate or Judge of the Designated Court” shall be substituted;

(iv) in sub-section (10), for the words “the Magistrate”, the words “the Magistrate or Judge of the Designated Court” shall be substituted.

6. In section 15A of the principal Act, in clauses (a), (b) and (c), for the words “of one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less”, the words “which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which such failure continues subject to a maximum of one crore rupees” shall be substituted.

Amendment  
of  
section 15A.

7. In section 15B of the principal Act, for the words “of one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less”, the words “which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which such failure continues subject to a maximum of one crore rupees” shall be substituted.

Amendment  
of section  
15B.

8. In section 15C of the principal Act, for the words “of one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less”, the words “which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which such failure continues subject to a maximum of one crore rupees” shall be substituted.

Amendment  
of section  
15C.

9. In section 15D of the principal Act,—

Amendment  
of section  
15D.

(i) in clause (a), for the words “of one lakh rupees for each day during which he sponsors or carries on any collective investment scheme including mutual funds, or one crore rupees, whichever is less”, the words “which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which he sponsors or carries on any such collective investment scheme including mutual funds subject to a maximum of one crore rupees” shall be substituted;

(ii) in clauses (b), (c), (d), (e) and (f), for the words “of one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less”, the words “which shall not be less than one lakh rupees but which may extend to one lakh

rupees for each day during which such failure continues subject to a maximum of one crore rupees” shall be substituted.

Amendment  
of section  
15E.

**10.** In section 15E of the principal Act, for the words “of one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less”, the words “which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which such failure continues subject to a maximum of one crore rupees” shall be substituted.

Amendment  
of section 15F.

**11.** In section 15F of the principal Act,—

(i) in clause (a), for the words “a penalty not exceeding five times the amount”, the words, “a penalty which shall not be less than one lakh rupees but which may extend to” shall be substituted;

(ii) in clause (b), for the words “of one lakh rupees for each day during which such failure continues, or one crore rupees, whichever is less”, the words “which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which he sponsors or carries on any such collective investment scheme including mutual funds subject to a maximum of one crore rupees” shall be substituted;

(iii) in clause (c), for the words “of one lakh rupees or five times the amount of brokerage”, the words “which shall not be less than one lakh rupees but which may extend to five times the amount of brokerage” shall be substituted.

Amendment  
of section  
15G.

**12.** In section 15G of the principal Act, for the words “of twenty-five crore rupees or three times the amount of profits made out of insider trading, whichever is higher”, the words “which shall not be less than ten lakh rupees but which may extend to twenty-five crore rupees or three times the amount of profits made out of insider trading, whichever is higher” shall be substituted.

Amendment  
of section  
15H.

**13.** In section 15H of the principal Act, for the words “of twenty-five crore rupees or three times the amount of profits made out of such failure, whichever is higher”, the words “which shall not be less than ten lakh rupees but which may extend to twenty-five crore rupees or three times the amount of profits made out of such failure, whichever is higher” shall be substituted.

Amendment  
of section  
15HA.

**14.** In section 15HA of the principal Act, for the words “of twenty-five crore rupees or three times the amount of profits made out of such practices, whichever is higher”, the words “which shall not be less than five lakh rupees but which may extend to twenty-five crore rupees or three times the amount of profits made out of such practices, whichever is higher” shall be substituted.

Amendment  
of section  
15HB.

**15.** In section 15HB of the principal Act, for the words “liable to a penalty which may extend to one crore rupees”, the words “liable to a penalty which shall not be less than one lakh rupees but which may extend to one crore rupees” shall be substituted.

Amendment  
of section 15-I.

**16.** In section 15-I of the principal Act, after sub-section (2), the following sub-section shall be inserted, namely:—

“(3) The Board may call for and examine the record of any proceedings under this section and if it considers that the order passed by the adjudicating officer is erroneous to the extent it is not in the interests of the securities market, it may, after making or causing to be made such inquiry as it deems necessary, pass an order enhancing the quantum of penalty, if the circumstances of the case so justify:

Provided that no such order shall be passed unless the person concerned has been given an opportunity of being heard in the matter:

Provided further that nothing contained in this sub-section shall be applicable after an expiry of a period of three months from the date of the order passed by the adjudicating officer or disposal of the appeal under section 15T, whichever is earlier.”.



	<p><b>17.</b> After section 15JA of the principal Act, the following section shall be inserted and shall be deemed to have been inserted with effect from the 20th day of April, 2007, namely:—</p> <p>“15JB. (1) Notwithstanding anything contained in any other law for the time being in force, any person, against whom any proceedings have been initiated or may be initiated under section 11, section 11B, section 11D, sub-section (3) of section 12 or section 15-I, may file an application in writing to the Board proposing for settlement of the proceedings initiated or to be initiated for the alleged defaults.</p> <p>(2) The Board may, after taking into consideration the nature, gravity and impact of defaults, agree to the proposal for settlement, on payment of such sum by the defaulter or on such other terms as may be determined by the Board in accordance with the regulations made under this Act.</p> <p>(3) The settlement proceedings under this section shall be conducted in accordance with the procedure specified in the regulations made under this Act.</p> <p>(4) No appeal shall lie under section 15T against any order passed by the Board or adjudicating officer, as the case may be, under this section.”.</p>	<p>Insertion of new section 15JB.</p> <p>Settlement of administrative and civil proceedings.</p>
	<p><b>18.</b> In section 15T of the principal Act, sub-section (2) shall be omitted.</p>	<p>Amendment of section 15T.</p>
	<p><b>19.</b> In section 26 of the principal Act, sub-section (2) shall be omitted.</p>	<p>Amendment of section 26.</p>
	<p><b>20.</b> After section 26 of the principal Act, the following sections shall be inserted, namely:—</p> <p>“26A. (1) The Central Government may, for the purpose of providing speedy trial of offences under this Act, by notification, establish or designate as many Special Courts as may be necessary.</p> <p>(2) A Special Court shall consist of a single judge who shall be appointed by the Central Government with the concurrence of the Chief Justice of the High Court within whose jurisdiction the judge to be appointed is working.</p> <p>(3) A person shall not be qualified for appointment as a judge of a Special Court unless he is, immediately before such appointment, holding the office of a Sessions Judge or an Additional Sessions Judge, as the case may be.</p>	<p>Insertion of new sections 26A, 26B, 26C, 26D and 26E.</p> <p>Establishment of Special Courts.</p>
2 of 1974.	<p>26B. Notwithstanding anything contained in the Code of Criminal Procedure, 1973, all offences under this Act committed prior to the date of commencement of the Securities Laws (Amendment) Act, 2014 or on or after the date of such commencement, shall be taken cognizance of and tried by the Special Court established for the area in which the offence is committed or where there are more Special Courts than one for such area, by such one of them as may be specified in this behalf by the High Court concerned.</p>	<p>Offences triable by Special Courts.</p>
2 of 1974.	<p>26C. The High Court may exercise, so far as may be applicable, all the powers conferred by Chapters XXIX and XXX of the Code of Criminal Procedure, 1973 on a High Court, as if a Special Court within the local limits of the jurisdiction of the High Court were a Court of Session trying cases within the local limits of the jurisdiction of the High Court.</p>	<p>Appeal and revision.</p>
2 of 1974.	<p>26D. (1) Save as otherwise provided in this Act, the provisions of the Code of Criminal Procedure, 1973 shall apply to the proceedings before a Special Court and for the purposes of the said provisions, the Special Court shall be deemed to be a Court of Session and the person conducting prosecution before a Special Court shall be deemed</p>	<p>Application of Code to proceedings before Special Court.</p>



to be a Public Prosecutor within the meaning of clause (u) of section 2 of the Code of Criminal Procedure, 1973.

(2) The person conducting prosecution referred to in sub-section (1) should have been in practice as an advocate for not less than seven years or should have held a post, for a period of not less than seven years, under the Union or a State, requiring special knowledge of law.

Transitional provisions.

26E. Any offence committed under this Act, which is triable by a Special Court shall, until a Special Court is established, be taken cognizance of and tried by a Court of Session exercising jurisdiction over the area, notwithstanding anything contained in the Code of Criminal Procedure, 1973:

2 of 1974.

Provided that nothing contained in this section shall affect the powers of the High Court under section 407 of the Code of Criminal Procedure, 1973 to transfer any case or class of cases taken cognizance by a Court of Session under this section."

2 of 1974.

Insertion of new section 28A.

21. After section 28 of the principal Act, the following section shall be inserted, namely:—

Recovery of amounts.

‘28A. (1) If a person fails to pay the penalty imposed by the adjudicating officer or fails to comply with any direction of the Board for refund of monies or fails to comply with a direction of disgorgement order issued under section 11B or fails to pay any fees due to the Board, the Recovery Officer may draw up under his signature a statement in the specified form specifying the amount due from the person (such statement being hereafter in this Chapter referred to as certificate) and shall proceed to recover from such person the amount specified in the certificate by one or more of the following modes, namely:—

(a) attachment and sale of the person's movable property;

(b) attachment of the person's bank accounts;

(c) attachment and sale of the person's immovable property;

(d) arrest of the person and his detention in prison;

(e) appointing a receiver for the management of the person's movable and immovable properties,

and for this purpose, the provisions of sections 220 to 227, 228A, 229, 232, the Second and Third Schedules to the Income-tax Act, 1961 and the Income-tax (Certificate Proceedings) Rules, 1962, as in force from time to time, in so far as may be, apply with necessary modifications as if the said provisions and the rules made thereunder were the provisions of this Act and referred to the amount due under this Act instead of to income-tax under the Income-tax Act, 1961.

43 of 1961.

*Explanation 1.*— For the purposes of this sub-section, the person's movable or immovable property or monies held in bank accounts shall include any property or monies held in bank accounts which has been transferred directly or indirectly on or after the date when the amount specified in certificate had become due, by the person to his spouse or minor child or son's wife or son's minor child, otherwise than for adequate consideration, and which is held by, or stands in the name of, any of the persons aforesaid; and so far as the movable or immovable property or monies held in bank accounts so transferred to his minor child or his son's minor child is concerned, it shall, even after the date of attainment of majority by such minor child or son's minor child, as the case may be, continue to be included in the person's movable or immovable property or monies held in bank accounts for recovering any amount due from the person under this Act.

*Explanation 2.*— Any reference under the provisions of the Second and Third Schedules to the Income-tax Act, 1961 and the Income-tax (Certificate Proceedings)

43 of 1961.

Rules, 1962 to the assessee shall be construed as a reference to the person specified in the certificate.

43 of 1961.

*Explanation 3.*— Any reference to appeal in Chapter XVIII and the Second Schedule to the Income-tax Act, 1961, shall be construed as a reference to appeal before the Securities Appellate Tribunal under section 15T of this Act.

(2) The Recovery Officer shall be empowered to seek the assistance of the local district administration while exercising the powers under sub-section (1).

(3) Notwithstanding anything contained in any other law for the time being in force, the recovery of amounts by a Recovery Officer under sub-section (1), pursuant to non-compliance with any direction issued by the Board under section 11B, shall have precedence over any other claim against such person.

(4) For the purposes of sub-sections (1), (2) and (3), the expression “Recovery Officer” means any officer of the Board who may be authorised, by general or special order in writing, to exercise the powers of a Recovery Officer.’.

**22.** In section 30 of the principal Act, in sub-section (2),—

Amendment  
of section 30.

(i) after clause (c), the following clauses shall be inserted, namely:—

“(ca) the utilisation of the amount credited under sub-section (5) of section 11;

(cb) the fulfilment of other conditions relating to collective investment scheme under sub-section (2A) of section 11AA;”;

(ii) after clause (d), the following clauses shall be inserted, namely:—

“(da) the terms determined by the Board for settlement of proceedings under sub-section (2) and the procedure for conducting of settlement proceedings under sub-section (3) of section 15JB;

(db) any other matter which is required to be, or may be, specified by regulations or in respect of which provision is to be made by regulations.”.

**23.** After section 34 of the principal Act, the following section shall be inserted, namely:—

Insertion of  
new section  
34A.

“34A. Any act or thing done or purporting to have been done under the principal Act, in respect of calling for information from, or furnishing information to, other authorities, whether in India or outside India, having functions similar to those of the Board and in respect of settlement of administrative and civil proceedings, shall, for all purposes, be deemed to be valid and effective as if the amendments made to the principal Act had been in force at all material times.”.

Validation of  
certain acts.

### CHAPTER III

#### AMENDMENTS TO THE SECURITIES CONTRACTS (REGULATION) ACT, 1956

42 of 1956.

**24.** In section 12A of the Securities Contracts (Regulation) Act, 1956 (hereafter in this Chapter referred to as the principal Act), the following *Explanation* shall be inserted, namely:—

Amendment  
of section  
12A.

“*Explanation.*— For the removal of doubts, it is hereby declared that power to issue directions under this section shall include and always be deemed to have been included the power to direct any person, who made profit or averted loss by indulging in any transaction or activity in contravention of the provisions of this Act or regulations made thereunder, to disgorge an amount equivalent to the wrongful gain made or loss averted by such contravention.”.

Amendment of section 23A.	<b>25.</b> In section 23A of the principal Act, in clauses (a) and (b), for the words “of one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less”, the words “which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which such failure continues subject to a maximum of one crore rupees” shall be substituted.
Amendment of section 23B.	<b>26.</b> In section 23B of the principal Act, for the words “of one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less”, the words “which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which such failure continues subject to a maximum of one crore rupees” shall be substituted.
Amendment of section 23C.	<b>27.</b> In section 23C of the principal Act, for the words “of one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less”, the words “which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which such failure continues subject to a maximum of one crore rupees” shall be substituted.
Amendment of section 23D.	<b>28.</b> In section 23D of the principal Act, for the words “liable to a penalty not exceeding one crore rupees”, the words “liable to a penalty which shall not be less than one lakh rupees but which may extend to one crore rupees” shall be substituted.
Amendment of section 23E.	<b>29.</b> In section 23E of the principal Act, for the words “liable to a penalty not exceeding twenty-five crore rupees”, the words “liable to a penalty which shall not be less than five lakh rupees but which may extend to twenty-five crore rupees” shall be substituted.
Amendment of section 23F.	<b>30.</b> In section 23F of the principal Act, for the words “liable to a penalty not exceeding twenty-five crore rupees”, the words “liable to a penalty which shall not be less than five lakh rupees but which may extend to twenty-five crore rupees” shall be substituted.
Amendment of section 23G.	<b>31.</b> In section 23G of the principal Act, for the words “liable to a penalty not exceeding twenty-five crore rupees”, the words “liable to a penalty which shall not be less than five lakh rupees but which may extend to twenty-five crore rupees” shall be substituted.
Amendment of section 23H.	<b>32.</b> In section 23H of the principal Act, for the words “liable to a penalty which may extend to one crore rupees”, the words “liable to a penalty which shall not be less than one lakh rupees but which may extend to one crore rupees” shall be substituted.
Amendment of section 23-I.	<b>33.</b> In section 23-I of the principal Act, after sub-section (2), the following sub-section shall be inserted, namely:—  “(3) The Board may call for and examine the record of any proceedings under this section and if it considers that the order passed by the adjudicating officer is erroneous to the extent it is not in the interests of the securities market, it may, after making or causing to be made such inquiry as it deems necessary, pass an order enhancing the quantum of penalty, if the circumstances of the case so justify:  Provided that no such order shall be passed unless the person concerned has been given an opportunity of being heard in the matter:  Provided further that nothing contained in this sub-section shall be applicable after an expiry of a period of three months from the date of the order passed by the adjudicating officer or disposal of the appeal under section 23L, whichever is earlier.”.
Insertion of new section 23JA.	<b>34.</b> After section 23J of the principal Act, the following section shall be inserted and shall be deemed to have been inserted with effect from the 20th day of April, 2007, namely:—
Settlement of administrative and civil proceedings.	“23JA. (1) Notwithstanding anything contained in any other law for the time being in force, any person, against whom any proceedings have been initiated or may be initiated under section 12A or section 23-I, may file an application in writing to the Board proposing for settlement of the proceedings initiated or to be initiated for the alleged defaults.

(2) The Board may, after taking into consideration the nature, gravity and impact of defaults, agree to the proposal for settlement, on payment of such sum by the defaulter or on such other terms as may be determined by the Board in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992.

15 of 1992.

(3) For the purposes of settlement under this section, the procedure as specified by the Board under the Securities and Exchange Board of India Act, 1992 shall apply.

15 of 1992.

(4) No appeal shall lie under section 23L against any order passed by the Board or the adjudicating officer, as the case may be, under this section.”.

**35.** After section 23JA of the principal Act as so inserted, the following section shall be inserted, namely:—

Insertion of  
new section  
23JB.

‘23JB. (1) If a person fails to pay the penalty imposed by the adjudicating officer or fails to comply with a direction of disgorgement order issued under section 12A or fails to pay any fees due to the Board, the Recovery Officer may draw up under his signature a statement in the specified form specifying the amount due from the person (such statement being hereafter in this Chapter referred to as certificate) and shall proceed to recover from such person the amount specified in the certificate by one or more of the following modes, namely:—

Recovery of  
amounts.

(a) attachment and sale of the person's movable property;

(b) attachment of the person's bank accounts;

(c) attachment and sale of the person's immovable property;

(d) arrest of the person and his detention in prison;

(e) appointing a receiver for the management of the person's movable and immovable properties,

and for this purpose, the provisions of sections 220 to 227, 228A, 229, 232, the Second and Third Schedules to the Income-tax Act, 1961 and the Income-tax (Certificate Proceedings) Rules, 1962, as in force from time to time, in so far as may be, apply with necessary modifications as if the said provisions and the rules thereunder were the provisions of this Act and referred to the amount due under this Act instead of to income-tax under the Income-tax Act, 1961.

43 of 1961.

*Explanation 1.*— For the purposes of this sub-section, the person's movable or immovable property or monies held in bank accounts shall include any property or monies held in bank accounts which has been transferred, directly or indirectly on or after the date when the amount specified in certificate had become due, by the person to his spouse or minor child or son's wife or son's minor child, otherwise than for adequate consideration, and which is held by, or stands in the name of, any of the persons aforesaid; and so far as the movable or immovable property or monies held in bank accounts so transferred to his minor child or his son's minor child is concerned, it shall, even after the date of attainment of majority by such minor child or son's minor child, as the case may be, continue to be included in the person's movable or immovable property or monies held in bank accounts for recovering any amount due from the person under this Act.

*Explanation 2.*— Any reference under the provisions of the Second and Third Schedules to the Income-tax Act, 1961 and the Income-tax (Certificate Proceedings) Rules, 1962 to the assessee shall be construed as a reference to the person specified in the certificate.

43 of 1961.

*Explanation 3.*— Any reference to appeal in Chapter XVIII and the Second Schedule to the Income-tax Act, 1961, shall be construed as a reference to appeal before the Securities Appellate Tribunal under section 23L of this Act.

43 of 1961.

(2) The Recovery Officer shall be empowered to seek the assistance of the local district administration while exercising the powers under sub-section (1).

(3) Notwithstanding anything contained in any other law for the time being in force, the recovery of amounts by a Recovery Officer under sub-section (1), pursuant to non-compliance with any direction issued by the Board under section 12A, shall have precedence over any other claim against such person.

(4) For the purposes of sub-sections (1), (2) and (3), the expression "Recovery Officer" means any officer of the Board who may be authorised, by general or special order in writing to exercise the powers of a Recovery Officer.'

Amendment of section 23L.

**36.** In section 23L of the principal Act, in sub-section (1), after the word, figure and letter "section 4B", the words, brackets, figures and letter "or sub-section (3) of section 23-I" shall be inserted.

Amendment of section 26.

**37.** In section 26 of the principal Act, sub-section (2) shall be omitted.

Insertion of new sections 26A, 26B, 26C, 26D and 26E.

**38.** After section 26 of the principal Act, the following sections shall be inserted, namely:—

Establishment of Special Courts.

"26A. (1) The Central Government may, for the purpose of providing speedy trial of offences under this Act, by notification, establish or designate as many Special Courts as may be necessary.

(2) A Special Court shall consist of a single judge who shall be appointed by the Central Government with the concurrence of the Chief Justice of the High Court within whose jurisdiction the judge to be appointed is working.

(3) A person shall not be qualified for appointment as a judge of a Special Court unless he is, immediately before such appointment, holding the office of a Sessions Judge or an Additional Sessions Judge, as the case may be.

Offences triable by Special Courts.

26B. Notwithstanding anything contained in the Code of Criminal Procedure, 1973, all offences under this Act committed prior to the date of commencement of the Securities Laws (Amendment) Act, 2014 or on or after the date of such commencement, shall be taken cognizance of and tried by the Special Court established for the area in which the offence is committed or where there are more Special Courts than one for such area, by such one of them as may be specified in this behalf by the High Court concerned. 2 of 1974.

Appeal and Revision.

26C. The High Court may exercise, so far as may be applicable, all the powers conferred by Chapters XXIX and XXX of the Code of Criminal Procedure, 1973 on a High Court, as if a Special Court within the local limits of the jurisdiction of the High Court were a Court of Session trying cases within the local limits of the jurisdiction of the High Court. 2 of 1974.

Application of Code to proceedings before Special Court.

26D. (1) Save as otherwise provided in this Act, the provisions of the Code of Criminal Procedure, 1973 shall apply to the proceedings before a Special Court and for the purposes of the said provisions, the Special Court shall be deemed to be a Court of Session and the person conducting prosecution before a Special Court shall be deemed to be a Public Prosecutor within the meaning of clause (u) of section 2 of the Code of Criminal Procedure, 1973. 2 of 1974.

(2) The person conducting prosecution referred to in sub-section (1) should have been in practice as an advocate for not less than seven years or should have held a post, for a period of not less than seven years, under the Union or a State, requiring special knowledge of law.



2 of 1974.	<p>26E. Any offence committed under this Act, which is triable by a Special Court shall, until a Special Court is established, be taken cognizance of and tried by a Court of Session exercising jurisdiction over the area, notwithstanding anything contained in the Code of Criminal Procedure, 1973:</p> <p>Provided that nothing contained in this section shall affect the powers of the High Court under section 407 of the Code to transfer any case or class of cases taken cognizance by a Court of Session under this section.”.</p>	Transitional provisions.
	<p><b>39.</b> In section 31 of the principal Act, in sub-section (2), after clause (b), the following clauses shall be inserted, namely:—</p>	Amendment of section 31.
	<p>“(c) the terms determined by the Board for settlement of proceedings under sub-section (2) of section 23JA;</p>	
	<p>(d) any other matter which is required to be, or may be, specified by regulations or in respect of which provision is to be made by regulations.”.</p>	
	<p><b>40.</b> After section 31 of the principal Act, the following section shall be inserted, namely:—</p>	Insertion of new section 32.
	<p>“32. Any act or thing done or purporting to have been done under the principal Act, in respect of settlement of administrative and civil proceedings, shall, for all purposes, be deemed to be valid and effective as if the amendments made to the principal Act had been in force at all material times.”.</p>	Validation of certain acts.
	CHAPTER IV	
	AMENDMENTS TO THE DEPOSITORIES ACT, 1996	
22 of 1996.	<p><b>41.</b> In section 19 of the Depositories Act, 1996 (hereafter in this Chapter referred to as the principal Act), the following <i>Explanation</i> shall be inserted, namely:—</p>	Amendment of section 19.
	<p>“<i>Explanation.</i>— For the removal of doubts, it is hereby declared that power to issue directions under this section shall include and always be deemed to have been included the power to direct any person, who made profit or averted loss by indulging in any transaction or activity in contravention of the provisions of this Act or regulations made thereunder, to disgorge an amount equivalent to the wrongful gain made or loss averted by such contravention.”.</p>	
	<p><b>42.</b> In section 19A of the principal Act, in clauses (a), (b) and (c), for the words “of one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less”, the words “which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which such failure continues subject to a maximum of one crore rupees” shall be substituted.</p>	Amendment of section 19A.
	<p><b>43.</b> In section 19B of the principal Act, for the words “of one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less”, the words “which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which such failure continues subject to a maximum of one crore rupees” shall be substituted.</p>	Amendment of section 19B.
	<p><b>44.</b> In section 19C of the principal Act, for the words “of one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less”, the words “which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which such failure continues subject to a maximum of one crore rupees” shall be substituted.</p>	Amendment of section 19C.
	<p><b>45.</b> In section 19D of the principal Act, for the words “of one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less”, the words “which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which such failure continues subject to a maximum of one crore rupees” shall be substituted.</p>	Amendment of section 19D.
	<p><b>46.</b> In section 19E of the principal Act, for the words “of one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less”, the words “which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which such failure continues subject to a maximum of one crore rupees” shall be substituted.</p>	Amendment of section 19E.

Amendment  
of section  
19F.

**47.** In section 19F of the principal Act, for the words “of one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less”, the words “which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which such failure continues subject to a maximum of one crore rupees” shall be substituted.

Amendment  
of section  
19G.

**48.** In section 19G of the principal Act, for the words “liable to a penalty which may extend to one crore rupees”, the words “liable to a penalty which shall not be less than one lakh rupees but which may extend to one crore rupees” shall be substituted.

Amendment  
of  
section 19H.

**49.** In section 19H of the principal Act, after sub-section (2), the following sub-section shall be inserted, namely:—

“(3) The Board may call for and examine the record of any proceedings under this section and if it considers that the order passed by the adjudicating officer is erroneous to the extent it is not in the interests of the securities market, it may, after making or causing to be made such inquiry as it deems necessary, pass an order enhancing the quantum of penalty, if the circumstances of the case so justify:

Provided that no such order shall be passed unless the person concerned has been given an opportunity of being heard in the matter:

Provided further that nothing contained in this sub-section shall be applicable after an expiry of a period of three months from the date of the order passed by the adjudicating officer or disposal of the appeal under section 23A, whichever is earlier.”.

Insertion of  
new section  
19-IA.

**50.** After section 19-I of the principal Act, the following section shall be inserted and shall be deemed to have been inserted with effect from the 20th day of April, 2007, namely:—

Settlement  
of Adminis-  
trative and  
Civil  
Proceedings.

“19-IA. (1) Notwithstanding anything contained in any other law for the time being in force, any person, against whom any proceedings have been initiated or may be initiated under section 19 or section 19H, as the case may be, may file an application in writing to the Board proposing for settlement of the proceedings initiated or to be initiated for the alleged defaults.

(2) The Board may, after taking into consideration the nature, gravity and impact of defaults, agree to the proposal for settlement, on payment of such sum by the defaulter or on such other terms as may be determined by the Board in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992.

15 of 1992.

(3) For the purpose of settlement under this section, the procedure as specified by the Board under the Securities and Exchange Board of India Act, 1992 shall apply.

15 of 1992.

(4) No appeal shall lie under section 23A against any order passed by the Board or the adjudicating officer under this section.”.

Insertion of  
new section  
19-IB.

**51.** After section 19-IA of the principal Act as so inserted, the following section shall be inserted, namely:—

Recovery of  
amounts.

“19-IB. (1) If a person fails to pay the penalty imposed by the adjudicating officer or fails to comply with a direction of disgorgement order issued under section 19 or fails to pay any fees due to the Board, the Recovery Officer may draw up under his signature a statement in the specified form specifying the amount due from the person (such statement being hereafter in this Chapter referred to as certificate) and shall proceed to recover from such person the amount specified in the certificate by one or more of the following modes, namely:—

- (a) attachment and sale of the person's movable property;
- (b) attachment of the person's bank accounts;
- (c) attachment and sale of the person's immovable property;

(d) arrest of the person and his detention in prison;

(e) appointing a receiver for the management of the person's movable and immovable properties,

43 of 1961.

and for this purpose, the provisions of sections 220 to 227, 228A, 229, 232, the Second and Third Schedules to the Income-tax Act, 1961 and the Income-tax (Certificate Proceedings) Rules, 1962, as in force from time to time, in so far as may be, apply with necessary modifications as if the said provisions and the rules thereunder were the provisions of this Act and referred to the amount due under this Act instead of to income-tax under the Income-tax Act, 1961.

*Explanation 1.*— For the purposes of this sub-section, the person's movable or immovable property or monies held in bank accounts shall include any property or monies held in bank accounts which has been transferred, directly or indirectly on or after the date when the amount specified in certificate had become due, by the person to his spouse or minor child or son's wife or son's minor child, otherwise than for adequate consideration, and which is held by, or stands in the name of, any of the persons aforesaid; and so far as the movable or immovable property or monies held in bank accounts so transferred to his minor child or his son's minor child is concerned, it shall, even after the date of attainment of majority by such minor child or son's minor child, as the case may be, continue to be included in the person's movable or immovable property or monies held in bank accounts for recovering any amount due from the person under this Act.

43 of 1961.

*Explanation 2.* — Any reference under the provisions of the Second and Third Schedules to the Income-tax Act, 1961 and the Income-tax (Certificate Proceedings) Rules, 1962 to the assessee shall be construed as a reference to the person specified in the certificate.

43 of 1961.

*Explanation 3.* — Any reference to appeal in Chapter XVIII and the Second Schedule to the Income-tax Act, 1961, shall be construed as a reference to appeal before the Securities Appellate Tribunal under section 23A of this Act.

(2) The Recovery Officer shall be empowered to seek the assistance of the local district administration while exercising the powers under sub-section (1).

(3) Notwithstanding anything contained in any other law for the time being in force, the recovery of amounts by a Recovery Officer under sub-section (1), pursuant to non-compliance with any direction issued by the Board under section 19, shall have precedence over any other claim against such person.

(4) For the purposes of sub-sections (1), (2) and (3), the expression “Recovery Officer” means any officer of the Board who may be authorised, by general or special order in writing, to exercise the powers of a Recovery Officer.

**52.** In section 22 of the principal Act, sub-section (2) shall be omitted.

Amendment  
of section 22.

**53.** After section 22B of the principal Act, the following sections shall be inserted, namely:—

Insertion of  
new sections  
22C, 22D,  
22E, 22F and  
22G.

“22C. (1) The Central Government may, for the purpose of providing speedy trial of offences under this Act, by notification, establish or designate as many Special Courts as may be necessary.

Establishment  
of Special  
Courts.

(2) A Special Court shall consist of a single judge who shall be appointed by the Central Government with the concurrence of the Chief Justice of the High Court within whose jurisdiction the judge to be appointed is working.



(3) A person shall not be qualified for appointment as a judge of a Special Court unless he is, immediately before such appointment, holding the office of a Sessions Judge or an Additional Sessions Judge, as the case may be.

Offences  
triable by  
Special  
Courts.

22D. Notwithstanding anything contained in the Code of Criminal Procedure, 1973, all offences under this Act committed prior to the date of commencement of the Securities Laws (Amendment) Act, 2014 or on or after the date of such commencement, shall be taken cognizance of and tried by the Special Court established for the area in which the offence is committed or where there are more Special Courts than one for such area, by such one of them as may be specified in this behalf by the High Court concerned.

2 of 1974.

Appeal and  
revision.

22E. The High Court may exercise, so far as may be applicable, all the powers conferred by Chapters XXIX and XXX of the Code of Criminal Procedure, 1973 on a High Court, as if a Special Court within the local limits of the jurisdiction of the High Court were a Court of Session trying cases within the local limits of the jurisdiction of the High Court.

2 of 1974.

Application  
of Code to  
proceedings  
before Special  
Court.

22F. (1) Save as otherwise provided in this Act, the provisions of the Code of Criminal Procedure, 1973 shall apply to the proceedings before a Special Court and for the purposes of the said provisions, the Special Court shall be deemed to be a Court of Session and the person conducting prosecution before a Special Court shall be deemed to be a Public Prosecutor within the meaning of clause (u) of section 2 of the Code of Criminal Procedure, 1973.

2 of 1974.

(2) The person conducting prosecution referred to in sub-section (1) should have been in practice as an advocate for not less than seven years or should have held a post, for a period of not less than seven years, under the Union or a State, requiring special knowledge of law.

Transitional  
provisions.

22G. Any offence committed under this Act, which is triable by a Special Court shall, until a Special Court is established, be taken cognizance of and tried by a Court of Session exercising jurisdiction over the area, notwithstanding anything contained in the Code of Criminal Procedure, 1973:

2 of 1974.

Provided that nothing contained in this section shall affect the powers of the High Court under section 407 of the Code to transfer any case or class of cases taken cognizance by a Court of Session under this section.”.

Amendment  
of section  
23A.

54. In section 23A of the principal Act, sub-section (2) shall be omitted.

Amendment  
of section 25.

55. In section 25 of the principal Act, in sub-section (2), after clause (g), the following clauses shall be inserted, namely:—

“(h) the terms determined by the Board for settlement of proceedings under sub-section (2) of section 19-IA;

(i) any other matter which is required to be, or may be, specified by regulations or in respect of which provision to be made by regulations.”.

Insertion of  
new section  
30A.

56. After section 30 of the principal Act, the following section shall be inserted, namely:—

Validation of  
certain acts.

“30A. Any act or thing done or purporting to have been done under the principal Act, in respect of settlement of administrative and civil proceedings, shall, for all purposes, be deemed to be valid and effective as if the amendments made to the principal Act had been in force at all material times.”.

Validation  
and savings.

57. Notwithstanding the fact that the Securities Laws (Amendment) Ordinance, 2014 has ceased to operate, anything done or any action taken or purported to have been done or taken under the provisions of the said Ordinance shall be deemed to have been done or taken under the corresponding provisions of this Act as if such provisions had been in force at all material times.

Ord. 2 of  
2014.

## THE APPROPRIATION (RAILWAYS) No. 2 ACT, 2014

An Act to provide for the authorisation of appropriation of moneys out of the Consolidated Fund of India to meet the amounts spent on certain services for the purposes of Railways during the financial year ended on the 31st day of March, 2012 in excess of the amounts granted for those services and for that year.

BE it enacted by Parliament in the Sixty-fifth Year of the Republic of India as follows:—

1. This Act may be called the Appropriation (Railways) No. 2 Act, 2014.

Short title.

2. From and out of the Consolidated Fund of India, the sums specified in column 3 of the Schedule amounting in the aggregate to the sum of one thousand forty-nine crores, eighty-five lakhs, sixty thousand, nine hundred and one rupees shall be deemed to have been authorised to be paid and applied to meet the amounts spent for defraying the charges in respect of the services relating to Railways specified in column 2 of the Schedule during the financial year ended on the 31st day of March, 2012, in excess of the amounts granted for those services and for that year.

Issue of Rs.  
1049,85,60,901  
out of the  
Consolidated  
Fund of India to  
meet certain  
expenditure for  
the financial  
year ended on  
the 31st day of  
March, 2012.

Appropriation.

**3.** The sums deemed to have been authorised to be paid and applied from and out of the Consolidated Fund of India under this Act shall be deemed to have been appropriated for the services and purposes expressed in the Schedule in relation to the financial year ended on the 31st day of March, 2012.

## THE SCHEDULE

(See sections 2 and 3)

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
3	General Superintendence and Services on Railways .....	..	27,29,201	27,29,201
7	Repairs and Maintenance of Plant and Equipment .....	..	6,66,281	6,66,281
12	Miscellaneous Working Expenses .....	279,85,87,643	..	279,85,87,643
13	Provident Fund, Pension and Other Retirement Benefits ...	769,61,68,663	4,09,113	769,65,77,776
	TOTAL .....	1049,47,56,306	38,04,595	1049,85,60,901